

## **REMARKS**

### **I. STATUS OF CLAIMS**

Upon entry of the amendment, claims 3-7, 9, 10, and 27-32 will be pending in this application. By this Amendment, claims 3-7, 9, 10, and 27 have been amended, claims 1, 2, and 8 have been canceled, and new claims 28-32 have been added. Reconsideration is respectfully requested in view of the above amendments and the following remarks.

Amendments to the claims are fully supported by the specification. For example, the new claims are supported by the specification from page 12, line 14 through page 16, line 14. Accordingly, no new matter has been added.

### **II. REJECTION UNDER 35 U.S.C. §112, SECOND PARAGRAPH**

Claims 1-10 and 27 are rejected under 35 U.S.C. §112, second paragraph. This rejection is respectfully traversed. Applicant has deleted the phrase “submitted by payees” that the Examiner found to be vague and indefinite in order to expedite the prosecution. The claims are clear and definite and fully compliant with 35 U.S.C. §112. Accordingly, withdrawal of the rejection is respectfully requested.

### **III. OBVIOUSNESS REJECTION UNDER 35 U.S.C. § 103**

#### **A. Summary of Rejection**

Claims 1-10 and 27 have been rejected under 35 U.S.C. § 103 over Positive Pay in view of U.S. Patent Number 5,781,654 to Carney and U.S. Patent no. 5,895,455 to Bellinger et al. (hereinafter "Bellinger"). This rejection is respectfully traversed.

As currently amended, all claims include the limitations of receiving two check files including a presentment file and an issue file, comparing the two check files, producing exception items from the comparison, and notifying an exception client of the exception items by using an email providing a link to a web file. New claims 28-32 are related to the automated decisioning process enabled through the web file.

The Office Action notes that the teaching of Positive Pay is of record. In the Office Action dated March 9, 2006, on pages 2 and 3, the Office Action characterizes Positive Pay as including a method of notifying an exception client associated with a payor financial institution of an exception item, the method comprising receiving a presentment check file, the check file including presentment information related to checks presented to the payor financial institution for payment. The Office Action also alleges that Positive Pay discloses receiving a payor check file from said exception client, the payor check file including check information relating to checks written by said exception client, and comparing the presentment check file with the payor check file to produce at least one exception item. The above-noted section from the March 9, 2006 Office Action is the most recent and complete characterization of the reference by the Examiner that Applicant has located in the file. However, utilizing this characterization, it is unclear what currently claimed features the primary reference includes and which features it lacks. Clarification of the rejection is therefore respectfully requested.

The Office Action states that Carney teaches that it is well known to submit presentment check files with multiple checks and that it would have been obvious for one skilled in the art to have combined the references in order to handle volume. However, as will be further explained below, Carney addresses only issue files and fails to address presentment files. The current Office Action also alleges that Bellinger teaches that creating, displaying, and sending image files is well known in the art.

**B. The Combination of Positive Pay, Carney, and Bellinger fails disclose the claimed features**

Even if combined, Positive Pay, Carney, and Bellinger fail to disclose the features of independent claims 10 and 27. In summary, the Office Action fails to establish a *prima facie* case of obviousness. Specifically, before considering what would be obvious to one of ordinary skill in the art at the time of the invention, the art must teach or suggest the claim limitations. See MPEP §2143.

Positive pay fails to disclose “receiving a presentment check file, said presentment check file including presentment information related to multiple checks presented to a payor financial institution for payment” as required by claim 10. Specifically, in Positive Pay, each presented check is evaluated and compared to an issue file on a check-by-check basis. No presentment file including multiple checks is implemented. Claim 10 requires that a presentment file be received that is related to multiple checks for payment. Thus, based on this clause, at least two features of claim 10 are absent from Positive Pay. First, Positive Pay fails to disclose reception of a presentment file. Instead, in Positive Pay, the system merely receives the check or an image of the check itself. Secondly, in Positive Pay, even if the Examiner were to interpret the reference

to consider the check itself as a presentment file, the presentment file would not relate to multiple checks presented as required by claim 10.

Additionally, Positive Pay fails to disclose a third feature of “comparing said presentment check file with said payor check file thereby producing an exception file containing at least one exception item” as required by claim 10. As set forth above, Positive pay compares a payor check file with each check presented on a check-by-check basis. Positive Pay does not disclose a presentment check file having information related to multiple checks, which is compared with a payor check file to produce at least one exception file containing at least one exception item.

Further, as acknowledged in the Office Action, the Positive Pay reference fails to disclose a fourth feature of claim 10, which includes sending said exception client an e-mail notifying said exception client of said at least one exception item.

With respect to claim 10, Positive Pay also fails to disclose generating a Web file, said Web file including an image relating to said exception item and sending said exception client an e-mail notifying said exception client of said at least one exception item. Positive Pay further fails to disclose generating an address for said Web file, wherein said e-mail address includes a hyperlink to said address. (Applicant also notes that only an initial version of Positive Pay is available as prior art. As noted on page 3 of the “History of Innovation”, an Internet version of Positive Pay was not released until 2002). Furthermore, with respect to independent claim 27, additional distinctive features are claimed.

With respect to Carney, despite the allegation in the Office Action, Carney fails to teach a presentment file including information about multiple checks. With reference to the independent claims, Carney fails to teach receiving a presentment check file at a computing system, said

presentment check file including presentment information related to multiple presented checks submitted by payees, the multiple presented checks requested for cashing against accounts of at least one of the exception clients of the payor financial institution and presented to the payor financial institution for payment.

Carney provides a system and method for identifying check fraud, particularly through detecting material alteration of a check. See Column 1, lines 10-13 of Carney. More specifically, Carney discloses a technique that includes implementing a check issuer computing system that encodes the individual name of the payee as a numeric value. The drawee bank recalculates the numeric value and compares it to the numeric value calculated by the issuing bank. Discrepancies are reviewed by the check issuer. See Column 3, lines 1-27 of Carney. As set forth in Carney, the computer system at the drawee bank records each presented check for posting against the check issuer's account. The comparison includes performing a numeric calculation to compute a check digit and comparing the check digit to the expected check digit calculated by the issuer. See Column 4, lines 10-31 of Carney. During processing, a reader sorter may be used for reading and interpreting each check and an image camera may capture the payee name and issue date from the face of the check when presented. The re-calculation for comparison is made based on this captured information. The systems of the issuer and drawee have the same software and therefore the re-calculation should have the same result as the original calculation. See Col. 6, lines 10-26.

Carney fails to obviate the deficiencies of Positive Pay as set forth above. Carney does not teach or disclose a method in a check exception item notification system for producing an exception file by a payor financial institution. Carney also fails to disclose receiving a presentment check file by said payor financial institution, said presentment check file including

presentment information relating to checks presented to said payor financial institution for payment. Additionally, Carney fails to disclose comparing said presentment check file, including information related to multiple checks, with said payor check file by said payor financial institution thereby producing at least one exception item. Finally, Carney also fails to disclose sending said exception client an e-mail by said payor financial institution.

Bellinger is only implemented for its disclosure of imaging and fails to obviate the deficiencies of Positive Pay and Carney as noted above.

Further, as noted by the Examiner in the last sentence on page 2 of the Office Action, all of the references fail to disclose sending a notification by email or web file.

In order to establish a *prima facie* case of obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). That is, “[a]ll words in a claim must be considered in judging the patentability of that claim against the prior art.” *In re Wilson*, 424 F.2d 1382, 165 USPQ 494, 496 (CCPA 1970); *In re Edward S. Lowry*, 32 F.3d 1579, 1582 (Fed. Cir. 1994)

Thus, because the references do not include each and every feature of claims 10 and 27, a *prima facie* case of obviousness has not been established. The remaining claims depend from claim 10 and include further distinctive features not disclosed in the applied references. Thus, these claims define over the art of record for at least the reasons set forth above in relation to claim 10.

### **C. Lack of Motivation to Combine**

The operative inquiry is whether the prior art provides specific motivation to select the second reference and combine it with the first. The key to supporting any rejection under 35 U.S.C. § 103 is the clear articulation of the reason(s) why the claimed invention would have been obvious. *KSR International Co. v. Teleflex Inc.*, 82 USPQ2d 1385, 1396 (2007). Therefore, applicants respectfully submit that the combination of Positive Pay, Carney, and Bellinger would not have been obvious to one of ordinary skill in the art at the time of the invention and that the Examiner's conclusion is clearly based on improper hindsight reasoning. Thus, the Examiner has failed to set forth a *prima facie* case of obviousness. For at least the reasons discussed above, the obviousness rejection is improper and should be withdrawn.

#### **IV. CONCLUSION**

Thus, for the reasons set forth above, claims 3-7, 9, 10, and 27-32 define over the art of record and an obviousness rejection cannot be sustained.

As set forth above, applicant respectfully submits that all claims are in condition for allowance. Withdrawal of all rejections and prompt passage to issuance are earnestly requested. In the event Applicants have overlooked the need for an extension of time, payment of fee, or additional payment of fee, Applicants hereby petition therefore and authorize that any charges be made to Deposit Account No. 50-4494.

Should the Examiner have any questions regarding any of the above, the Examiner is respectfully requested to telephone the undersigned at 202-346-4016.

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